

EXHIBIT 1

Past Policy Updates

This page shows important changes that were made to the PayPal service, its User Agreement, or other policies.

Amendment to the PayPal User Agreement

Effective Date: May 07, 2013



- **Amendment to the PayPal User Agreement.**

PayPal is updating the In-Store Checkout experience. Currently, In-Store Checkout users can select both a Preferred Payment Method and a backup payment method. As of May 7, 2013, In-Store Checkout users will no longer be able to select a backup payment method. If you have already set a Preferred Payment Method and a backup payment method for In-Store Checkout and your Preferred Payment Method selection is PayPal balance, your Preferred Payment Method will be replaced with your currently set backup payment method. In all other cases, your Preferred Payment Method will not change and your backup payment method selection will be removed. In addition, when you make an In-Store Checkout payment and have available PayPal balance, your balance will be used to fund your transaction before your Preferred Payment Method, unless you have selected PayPal Credit as your Preferred Payment Method. Section 16 (Definitions) will be amended to include a new definition for a "Mobile In-Store Payment", which means using the check in function in the PayPal mobile application to pay with PayPal based on your proximity to the recipient's location. The definition of In-Store Checkout will be amended to include Mobile In-Store Payments.

Also as of May 7, 2013, the PayPal Grace Period feature described in Section 3.16(f) will be no longer be offered. All references to PayPal Grace Period in the User Agreement will be removed, including Section 3.2 (Default Payment Methods), Section 3.16(f) (PayPal Grace Period), Section 7.1 (How to Close Your Account), Section 12.1 (Protections for Unauthorized Transactions and Other Errors), Section 13.2 (Eligibility Requirements for PayPal Purchase Protection), Section 13.3 (Ineligible Items for PayPal Purchase Protection), Section 13.5 (Dispute Resolution), and Section 16 (Definitions).

The following sections will also be amended to reflect the updates to In-Store Checkout:

1. **3.2 Default Payment Methods.** When you make a payment, if you have not selected a Preferred Payment Method, PayPal will fund your transaction in this order:

1. Balance
2. Instant Transfer from your bank account
3. PayPal Credit
4. Debit card
5. Credit card
6. eCheck

Note: If you do not want to use your Balance, you can withdraw it before making a payment.

2. **3.3 Preferred Payment Method.** You may select a Preferred Payment Method each time you make a payment, except when making a Preapproved Payment, a No Log-In Payment, or an In-Store Checkout payment. Certain funding sources may not be available for certain products; if there are funding source limitations, these will be disclosed to you as part of your transaction flow for the specific product in question. For a Preapproved Payment or, in most instances, a No Log-In Payment, you can select a Preferred Payment Method when you provide your initial authorization for this payment and through the My Preapproved Payment section of your Account Profile (it may be called "Backup Payment Method"). For In-Store Checkout payments, you may change your Preferred Payment Method in your Account Profile prior to initiating your transaction.

If you select a Preferred Payment Method but have available Balance in your Account, your Balance will be used to fund your payment first. If you set a PayPal Credit product or eCheck as your Preferred Payment Method in your Account Profile, it will be used to fund your PayPal payments first, even if you have a Balance.

3. **3.8 Preapproved Payments.** A Preapproved Payment, including an In-Store Checkout payment, is a payment in which you authorize a Merchant to directly charge your Account on a one-time, regular, or sporadic basis. Preapproved Payments are sometimes called "subscriptions", "recurring payments", "preauthorized transfers" or "automatic payments". Within 2 Business Days of any Preapproved Payment made from your Account, you will receive a confirmation of this transaction by email. The following applies to any Preapproved Payments you make:
 - c. **Preapproved Payments for In-Store Checkout.** For In-Store Checkout transactions, if we are not able to get an authorization from the Preferred Payment Method you have set with us but we allow you to proceed with the transaction and pay the Merchant, you authorize us to debit your PayPal Account or any of the Payment Methods linked to your PayPal Account to fund your transaction or recover any amounts we paid the Merchant on your behalf. We will only recover up to the amount of the In-Store Checkout transaction you authorized and we paid. You may cancel the authorization for In-Store Checkout in your Account Profile, but you will still be able to pay in stores using Mobile In-Store Payments.
4. **3.16(a) In-Store Checkout, General.** In-Store Checkout allows you to make payments using your PayPal Account in a Merchant's physical store if the Merchant accepts PayPal. In-Store Checkout payments are made using your mobile phone number, a PayPal payment card (the "PayPal Payment Card"), or Mobile In-Store Payments. You must confirm your mobile phone number with PayPal by registering it with PayPal, setting a PIN, and receiving a confirmation from us via SMS. You request a PayPal Payment Card when you sign up for In-Store Checkout at www.PayPal.com/anywhere. If you do not receive your PayPal Payment Card within 14 Days after requesting it, or if your card is lost or stolen, you must follow the procedures set forth in Section 12 to report the lost or stolen card.

Amendment to the PayPal Debit Card Cardholder Agreement

Effective Date: Dec 05, 2012

**• Amendment to the PayPal Debit Card Cardholder Agreement**

1. The Agreement is being amended to clarify that it covers both the PayPal Debit MasterCard ("Consumer Debit Card") and PayPal Business Debit MasterCard ("Business Debit Card,").
2. The Agreement is being amended to include a definition of the term "Debit Card" or "Card." This is the term now used throughout the Agreement when referring to the card. This definition will now read:

"Debit Card" or "Card" means the Consumer Debit Card or Business Debit Card issued to you by The Bancorp Bank.

3. The Agreement is being amended because the Agreement will now be subject to an arbitration provision. It now reads:

THIS AGREEMENT IS SUBJECT TO ARBITRATION PURSUANT TO THE FEDERAL ARBITRATION ACT. See Section 23 (Arbitration) below.

4. A new Section 4 is being added detailing the representations and warranties. This section will now read:

4. ATM withdrawal and spending limits. Business Debit Card transactions are subject to a daily limit of \$400.00 for ATM withdrawals and cash-like withdrawals (e.g. cash advances and money transfers), a \$3000.00 daily limit for purchases. Consumer Debit Card transactions are subject to a daily limit of \$300 for ATM withdrawals and cash-like withdrawals (e.g., cash advance and money transfers) and a \$1,000 limit for purchases. PayPal retains sole discretion to apply and change these limits.

5. Section 5.c. is being amended because the number of days for a hold to be removed is being increased from 4 to 10 days. This section will now read:

5.c. Authorization Holds. If you use your Debit Card at an automated fuel dispenser ("Pay at the pump"), the merchant may preauthorize the transaction amount up to \$100 or more. If your Debit Card is declined, even though you have sufficient funds available, use your Debit Card to pay for your purchase inside with the cashier. This hold will be released once merchant submits the transaction for settlement. If you use your Debit Card at a restaurant, a hotel, for a car rental purchase, or for similar purchases, the merchant may preauthorize the transaction amount for the purchase amount plus up to 20% or more to ensure there are sufficient funds available to cover tips or incidental expenses that may be incurred. Any preauthorization amount will place a "hold" on your available funds until the merchant sends us the final payment amount of your purchase. It may take up to ten (10) days for the hold to be removed. During the hold period, you will not have access to the preauthorized amount.

When you use your Debit Card to purchase goods or services or to obtain cash from a merchant, the merchant may attempt to obtain preauthorization from us for the transaction. If the merchant makes such a request, we place a hold on your Card Account for up to ten (10) days for the amount of the preauthorization request (which may vary in some cases from the amount of the actual purchase, depending on the merchant). This hold may affect the availability of funds in your Card Account. We will not be responsible if any transactions are not completed because of the hold. If the preauthorization request varies from the amount of the actual transaction, we will debit the actual transaction amount from your PayPal Balance, even if this results in your PayPal Balance becoming negative because no Backup Funding Source was available. You remain responsible for any negative balances in your Card Account.

6. Section 5.f is being amended because the ATM withdrawal and spending limits were increased. This section will now read:

5.f. ATM withdrawal and spending limits. Business Debit Card transactions are subject to a daily limit of \$400.00 for ATM withdrawals and cash-like withdrawals (e.g. cash advances and money transfers), a \$3000.00 daily limit for purchases. Consumer Debit Card transactions are subject to a daily limit of \$300 for ATM withdrawals and cash-like withdrawals (e.g., cash advance and money transfers) and a \$1,000 limit for purchases. PayPal retains sole discretion to apply and change these limits.

7. Section 5 is being amended to clarify when fees apply. This section will now read:

5. PayPal Debit Card Fees.

ATM Withdrawal US	\$ 1.00 Per ATM Withdrawal within US (Plus any amounts charged by the ATM owner.)
Signature Withdrawal	\$ 3.00 Per Signature Withdrawal if a signature is required to obtain cash.
Non-US ATM Transaction (Using an ATM machine that is not in the US)	1%; Per withdrawal from a non-US ATM. This fee will apply even if the transaction does not require a currency conversion.
Non-US Debit Card Usage (Making a purchase from a seller that is not in the US)	1%; Per purchase from a non-US merchant. This fee will apply even if the transaction does not require a currency conversion.
Exchange Rate & Fee	The currency exchange rate is determined by The Bancorp Bank based on the current market price and includes a 2.5% Fee. This Fee is variable and only applies when The Bancorp Bank performs the currency conversion.

If you use an ATM for any transaction, including a balance inquiry, you may be charged a fee by the ATM owner even if you do not complete a withdrawal. This ATM fee is a third party fee amount

assessed by the individual ATM operator only and is not assessed by us. This ATM fee amount will be charged to your Card.

8. Section 12 is being amended to correct the area code on the phone number. This section will now read:

12. Card Replacement. If you need to replace your Debit Card for any reason, please contact us at 866-888-6080 to request a replacement Debit Card. You will be required to provide personal information which may include your Debit Card number, full name and transaction history.

9. Section 17 is being amended because we are removing that to cancel this Agreement you must return your card, and instead are stating that you may cancel this Agreement by calling Customer Service and including the number. This section will now read:

17. Amendment and Cancellation. From time to time, we may amend this Agreement by posting a revised version on the PayPal website. The revised version will be effective at the time we post it. In addition, if the revised version includes a Substantial Change, we will provide you with 30 Days' prior notice of Substantial Change by posting notice on the "Policy Updates" page of the PayPal website. However, if the change is made for security purposes, we can implement such change without prior notice. We may cancel or suspend your Card or this Agreement at any time. You may cancel this Agreement and your Card by calling Customer Service at 866-888-6080. Your termination of this Agreement will not affect any of our rights or your obligations arising under this Agreement prior to termination.

10. Section 18.1 is being amended because we are adding definitions to the terms "Unauthorized Transactions" and "Other Errors."

The section will now read:

18.1 Protection for Unauthorized Transactions and Other Errors. When an Unauthorized Transaction or Other Error occurs in your Card Account, including Unauthorized Transactions that occur because your Debit Card has been lost or stolen, we will cover you for the full amount of every eligible Unauthorized Transaction or Other Error as long as you follow the procedures discussed below in this section.

An "Unauthorized Transaction" is a type of error that occurs when money is sent from your Account that you did not authorize and that did not benefit you. For example, if someone steals your Debit Card and PIN, uses the Debit Card to access your Account, and makes a withdrawal from your Account, an Unauthorized Transaction has occurred. If you give someone access to your Account (by giving them your Debit Card) and they conduct transactions without your knowledge or permission, you are responsible for any resulting use. These transactions are not covered under any protection programs by PayPal or us.

In addition, "Other Errors" occur when money is either incorrectly taken from your Account or incorrectly placed into your Account, or when transactions are incorrectly recorded in your Account. Other Errors that are covered by us are limited to the following events: if you send a payment and it is incorrectly debited from your Account; if an incorrect amount is credited to your Account; if a transaction is missing from or not properly identified in your Account statement; if you receive an incorrect amount of money at an ATM; and if there is a computational or mathematical error by us.

You may request documentation or information regarding your Card Account or transaction to determine whether an Unauthorized Transaction or Other Error exists by contacting us through the Contact Us link at the bottom of each page of the PayPal website.

11. A new Section 21 is being added which states:

21. Telephone Monitoring/Recording. From time to time we may monitor and/or record telephone calls between you and us to assure the quality of our customer service or as required by applicable law.

12. A new Section 22 is being added which states:

22. No Warranty Regarding Goods or Services as Applicable. We are not responsible for the quality, safety, legality, or any other aspect of any goods or services you purchase with your Card.

13. A new Section 23 is being added which states:

23. Arbitration. Any claim, dispute, or controversy ("Claim") arising out of or relating in any way to: i) this Agreement; ii) your Card; iii) the Cards of any additional cardholders designated by you; iv) your purchase of the Card; v) your usage of the Card; vi) the amount of available funds in the Card accounts; vii) advertisements, promotions or oral or written statements related to the Cards, as well as goods or services purchased with the card; viii) the benefits and services related to the Cards; or ix) transaction on the Card, no matter how described, pleaded or styled, shall be FINALLY and EXCLUSIVELY resolved by binding individual arbitration conducted by the American Arbitration Association ("AAA") under its Consumer Arbitration Rules. If Section 23 and Section 14 (Disputes with PayPal) of the PayPal User Agreement are in conflict in any way, this Section 23 will control with respect to any Claim. Specifically, you agree that this Section 23 applies to all Claims described above instead of and in replacement to Section 14.2 (Arbitration), Section 14.3 (Law and Forum for Disputes) and Section 14.4 (Improperly Filed Litigation) of the PayPal User Agreement. This arbitration agreement is made pursuant to a transaction involving interstate commerce, and shall be governed by the Federal Arbitration Act (9 U.S.C. 1-16).

We will pay the initial filing fee to commence arbitration and any arbitration hearing that you attend shall take place in the federal judicial district of your residence.

ARBITRATION OF YOUR CLAIM IS MANDATORY AND BINDING. NEITHER PARTY WILL HAVE THE RIGHT TO LITIGATE THAT CLAIM THROUGH A COURT. IN ARBITRATION, NEITHER PARTY WILL HAVE THE RIGHT TO A JURY TRIAL OR TO ENGAGE IN DISCOVERY, EXCEPT AS PROVIDED FOR IN THE AAA CODE OF PROCEDURE.

For a copy of the procedures, to file a Claim or for other information about these organizations, contact them as follows: AAA, at 335 Madison Avenue, New York, NY 10017 or at www.adr.org.

All determinations as to the scope, interpretation, enforceability and validity of this Agreement shall be made final exclusively by the arbitrator, which award shall be binding and final. Judgment on the arbitration award may be entered in any court having jurisdiction.

NO CLASS ACTION, OR OTHER REPRESENTATIVE ACTION OR PRIVATE ATTORNEY GENERAL ACTION OR JOINDER OR CONSOLIDATION OF ANY CLAIM WITH A CLAIM OF ANOTHER PERSON OR CLASS OF CLAIMANTS SHALL BE ALLOWABLE.

This arbitration provision shall survive: i) the termination of the Agreement; ii) the bankruptcy of any party; iii) any transfer, sale or assignment of your Card, or any amounts owed on your Card, to any other person or entity; or iv) expiration of the Card. If any portion of this arbitration provision is deemed invalid or unenforceable, the remaining portions shall remain in force.

IF YOU DO NOT AGREE TO THE TERMS OF THIS ARBITRATION AGREEMENT, DO NOT ACTIVATE OR USE THE CARD, OR IF IT HAS ALREADY BEEN ACTIVATED, CANCEL IT. YOU MAY CANCEL YOUR CARD BY CALLING CUSTOMER SERVICE AT 866-888-6080.

Amendment to the PayPal User Agreement and Privacy Policy

Effective Date: Nov01, 2012



• Amendment to the PayPal User Agreement

This update to the User Agreement effective November 1, 2012 contains changes that affect how claims you and PayPal have against each other are resolved (see Disputes with PayPal below). You will, with limited exception, be required to submit claims you have against PayPal to binding and final arbitration, unless you opt out of the Agreement to Arbitrate (Section 14.3) by December 1, 2012. Unless you opt out: (1) you will only be permitted to pursue claims against PayPal on an individual basis, not as a plaintiff or class member in any class or representative action or proceeding and (2) you will only be permitted to seek relief (including monetary, injunctive, and declaratory relief) on an individual basis. See Disputes with PayPal below for more information.

• Electronic Communications Delivery Policy.

The User Agreement is being amended to include the text of the Electronic Communications Delivery Policy into its terms instead of incorporating it by reference. The Electronic Communications Delivery Policy can also be accessed at: https://cms.paypal.com/us/cgi-bin/?cmd=_render-content&content_ID=ua/UserAgreement_full. This policy describes how we communicate with you electronically, provides additional detail about the Communications we provide to you, and sets out the hardware and software you need to receive these Communications.

• Calls to You; Mobile Telephone Numbers. Section 1.10 is being updated to state:

By providing PayPal a telephone number (including a mobile telephone number), you agree to receive autodialed and prerecorded message calls at that number. The ways in which you provide us a telephone number include, but are not limited to, providing a telephone number at Account opening, adding a telephone number to your Account at a later time, providing it to one of our employees, or by contacting us from that phone number. If a telephone number provided to us is a mobile telephone number, you consent to receive SMS or text messages at that number. We won't share your phone number with non-affiliated third parties for their purposes without your consent, but may share your phone numbers with our Family of Companies or with our service providers, such as billing or collections companies, who may contact you using autodialed or prerecorded message calls or text messages. Standard telephone minute and text charges may apply if we contact you.

"Family of Companies" is defined as companies that are direct or indirect subsidiaries of PayPal, Inc. or eBay Inc. or are otherwise related to PayPal through common ownership or control.

• Recording Calls.

A new Section 1.11 (Recording Calls) is being added which states:

You understand and agree that PayPal may, without further notice or warning and in our discretion, monitor or record telephone conversations you or anyone acting on your behalf has with PayPal or its agents for quality control and training purposes or for its own protection. You acknowledge and understand that, while your communications with PayPal may be overheard, monitored, or recorded without further notice or warning, not all telephone lines or calls may be recorded by PayPal, and PayPal does not guarantee that recordings of any particular telephone calls will be retained or retrievable.

• PayPal Balances not insured by the FDIC.

In order to treat assets as qualifying investments under State money transmitter laws, PayPal must hold those assets directly as beneficial owner of the asset, and not as a custodian or agent. As a result, we are revising Section 5.1 (Balances) to clarify that, if you carry a Balance in your Account, the funds underlying those Balances will be held by PayPal, and this Balance is not insured by the FDIC. PayPal will continue to hold your Balances separate from its corporate funds. As before this policy update, you do not need to hold any Balance in order to make a payment through PayPal, and if you do hold a Balance you will have the same withdrawal options.

• Set Off of Negative Balances.

Section 5.3 (Negative Balances and Multiple Currencies) is being amended to state that if you open more than one Account, PayPal may set off the negative Balance in one Account by using any Balance that you maintain in your other Account(s).

- **Addition of Russian Ruble Fees.**

Due to the addition of the Russian Ruble as a transacting currency for Users, the following fees are being added to the sections specified below:

Section	Fee
8.4(c), Fixed Fee for Domestic Payments in a Foreign Currency and International Payments	10 RUB
8.5(c), Fixed Fee for International Micropayments	2 RUB
8.7(a), Domestic Mass Payment Fee Cap	240 RUB
8.7(b), International Mass Payment Fee Cap	1,400 RUB
8.8, Chargeback Fee	640 RUB

*Subject to the commencement of PayPal's Russian Ruble service.

- **Currency Conversion.**

Section 8.8 (Additional Fees) is being amended to state that when your payment is funded by a debit or credit card and requires a currency conversion, you consent to and authorize PayPal to convert the currency in place of your debit or credit card issuer.

- **Restricted Activities.**

Section 9.1 is being amended to enumerate the following Restricted Activities:

1. Circumventing any PayPal policy or determinations about your Account such as temporary or indefinite suspensions or other Account holds, limitations or restrictions, including, but not limited to, engaging in the following actions: attempting to create new or additional PayPal Account(s) when an Account has a negative balance or has been restricted, suspended or otherwise limited; creating new or additional PayPal Accounts using information that is not your own (e.g. name, address, email address, etc.); or using someone else's PayPal Account;
2. Harassing our employees, agents, or other users

- **Actions by PayPal - Court Orders or Other Legal Process**

A new Section 10.4 (Actions by PayPal - Court Orders or Other Legal Process) is being added which states:

PayPal, in its sole discretion, may take various actions including placing a hold, Reserve, or other limitation on your Account or the funds in it and/or releasing any or all of your funds in the event it receives notice of a court order or other legal process that restricts the use of or access to your funds or requires their release. PayPal will give notice of a hold, Reserve, or limitation it makes to comply with a court order or other legal process, unless the court order or other process directs that PayPal not provide you notice, in which case the court order or other process supersedes any notice obligation PayPal has undertaken or agreed to under the terms of this Agreement. PayPal has no obligation to contest or appeal from any such order or process. Holds, Reserves, or limitations on your account that are placed in response to a court order or other legal process may be maintained longer than 180 Days. PayPal will decide in its sole discretion the appropriate scope of a hold, Reserve, and/or limitation to assure compliance with a court order or other legal process.

Additionally, in the event PayPal receives notice of a garnishment or equivalent legal process directing the restraint of funds in your Account or directing payment of funds from your Account to the court or another third party, PayPal may limit your Account and hold the funds in it for up to 180 days, and may disburse funds from your Account, as needed, for the purpose of resolving any Dispute, Claim, Chargeback, or Reversal.

- **Protection for Unauthorized Transactions and Other Errors.**

Section 12.1 is being amended to clarify that Unauthorized Transactions and Other Errors do not include Disputes, Claims, Chargebacks, and Reversals. In addition, you agree that PayPal is authorized to handle Disputes, Claims, Chargebacks, and Reversals as set forth in the User Agreement, and that no determination made by PayPal or a card issuer with respect to a Dispute, Claim, Chargeback or Reversal will be considered an Unauthorized Transaction or Other Error. Routine inquiries about your Account balance or the status of a pending transfer into or out of your Account are not considered Unauthorized Transactions or Other Errors unless you expressly notify us of an Unauthorized Transaction or Other Error in connection with the transfer. Requests for information for tax or other recordkeeping purposes and requests for duplicate documentation also are not deemed to be Unauthorized Transactions or Other Errors.

- **No Double Recovery.**

Under Section 13.8, you may not file a Dispute/Claim or receive recovery for a purchase under PayPal Purchase Protection if you have already received a recovery for that purchase directly from eBay or the Seller. Section 13.8 is being amended to add that you are also not able to file a Dispute/Claim or receive recovery under PayPal Purchase Protection if you have already received a recovery from another third party, or if you have already filed a case for that purchase with eBay, the seller, or another third party.

- **Disputes with PayPal.**

Section 14 is being amended to update the provisions governing how disputes between you and PayPal are resolved. With limited exception, this section requires you and PayPal to submit claims to binding and final arbitration, unless you opt out of the Agreement to Arbitrate by December 1, 2012. The amended Section 14

states:

You and PayPal agree that any claim or dispute at law or equity that has arisen or may arise between us will be resolved in accordance with the provisions set forth in this Section (Section 14: Disputes with PayPal). Please read this Section carefully. It affects your rights and will impact how claims you and we have against each other are resolved.

14.1 Contact PayPal First

If a dispute arises between you and PayPal, our goal is to learn about and address your concerns and, if we are unable to do so to your satisfaction, to provide you with a neutral and cost effective means of resolving the dispute quickly. Disputes between you and PayPal regarding the PayPal Services may be reported to Customer Service online through the PayPal Help Center at any time, or by calling (402) 935-2050 from 6 AM to midnight, Central Time.

14.2 Applicable Law. You agree that the laws of the State of Delaware, without regard to principles of conflict of laws, will govern this User Agreement and any claim or dispute that has arisen or may arise between you and PayPal, except as otherwise stated in this User Agreement.

14.3 Agreement to Arbitrate. You and PayPal each agree that any and all disputes or claims that have arisen or may arise between you and PayPal shall be resolved exclusively through final and binding arbitration, rather than in court, except that you may assert claims in small claims court, if your claims qualify. The Federal Arbitration Act governs the interpretation and enforcement of this Agreement to Arbitrate.

a. Prohibition of Class and Representative Actions and Non-Individualized Relief.

YOU AND PAYPAL AGREE THAT EACH OF US MAY BRING CLAIMS AGAINST THE OTHER ONLY ON AN INDIVIDUAL BASIS AND NOT AS A PLAINTIFF OR CLASS MEMBER IN ANY PURPORTED CLASS OR REPRESENTATIVE ACTION OR PROCEEDING. UNLESS BOTH YOU AND PAYPAL AGREE OTHERWISE, THE ARBITRATOR MAY NOT CONSOLIDATE OR JOIN MORE THAN ONE PERSON'S OR PARTY'S CLAIMS AND MAY NOT OTHERWISE PRESIDE OVER ANY FORM OF A CONSOLIDATED, REPRESENTATIVE, OR CLASS PROCEEDING. ALSO, THE ARBITRATOR MAY AWARD RELIEF (INCLUDING MONETARY, INJUNCTIVE, AND DECLARATORY RELIEF) ONLY IN FAVOR OF THE INDIVIDUAL PARTY SEEKING RELIEF AND ONLY TO THE EXTENT NECESSARY TO PROVIDE RELIEF NECESSITATED BY THAT PARTY'S INDIVIDUAL CLAIM(S). ANY RELIEF AWARDED CANNOT AFFECT OTHER PAYPAL USERS.

b. Arbitration Procedures.

Arbitration is more informal than a lawsuit in court. Arbitration uses a neutral arbitrator instead of a judge or jury, and court review of an arbitration award is very limited. However, an arbitrator can award the same damages and relief on an individual basis that a court can award to an individual. An arbitrator also must follow the terms of this User Agreement as a court would.

The arbitration will be conducted by the American Arbitration Association ("AAA") under its rules and procedures, including the AAA's Supplementary Procedures for Consumer-Related Disputes (as applicable), as modified by this Agreement to Arbitrate. The AAA's rules are available at www.adr.org. A form for initiating arbitration proceedings is available on the AAA's website at <http://www.adr.org>.

The arbitration shall be held in the county in which you reside or at another mutually agreed location. If the value of the relief sought is \$10,000 or less, you or PayPal may elect to have the arbitration conducted by telephone or based solely on written submissions, which election shall be binding on you and PayPal subject to the arbitrator's discretion to require an in-person hearing, if the circumstances warrant. Attendance at an in-person hearing may be made by telephone by you and/or PayPal, unless the arbitrator requires otherwise.

The arbitrator will decide the substance of all claims in accordance with the laws of the State of Delaware, including recognized principles of equity, and will honor all claims of privilege recognized by law. The arbitrator shall not be bound by rulings in prior arbitrations involving different PayPal users, but is bound by rulings in prior arbitrations involving the same PayPal user to the extent required by applicable law. The arbitrator's award shall be final and binding, and judgment on the award rendered by the arbitrator may be entered in any court having jurisdiction thereof.

c. Costs of Arbitration.

Payment of all filing, administration, and arbitrator fees will be governed by the AAA's rules, unless otherwise stated in this Agreement to Arbitrate. If the value of the relief sought is \$10,000 or less, at your request, PayPal will pay all filing, administration, and arbitrator fees associated with the arbitration. Any request for payment of fees by PayPal should be submitted by mail to the AAA along with your Demand for Arbitration and PayPal will make arrangements to pay all necessary fees directly to the AAA. If the value of the relief sought is more than \$10,000 and you are able to demonstrate that the costs of arbitration will be prohibitive as compared to the costs of litigation, PayPal will pay as much of the filing, administration, and arbitrator fees as the arbitrator deems necessary to prevent the arbitration from being cost-prohibitive. In the event the arbitrator determines the claim(s) you assert in the arbitration to be frivolous, you agree to reimburse PayPal for all fees associated with the arbitration paid by PayPal on your behalf that you otherwise would be obligated to pay under the AAA's rules.

d. Severability.

With the exception of any of the provisions in subsection (a) of this Agreement to Arbitrate ("Prohibition of Class and Representative Actions and Non-Individualized Relief"), if a court decides that any part of this Agreement to Arbitrate is invalid or unenforceable, the other parts of this Agreement to Arbitrate shall still apply. If a court decides that any of the provisions in subsection (a) of this Agreement to Arbitrate ("Prohibition of Class and Representative Actions and Non-Individualized Relief") is invalid or unenforceable, then the entirety of this Agreement to Arbitrate shall be null and void. The remainder of the User Agreement, including all other provisions of Section 14 (Disputes with PayPal), will continue to apply.

e. Opt-Out Procedure.

You can choose to reject this Agreement to Arbitrate ("opt out") by mailing us a written opt-out notice ("Opt-Out Notice"). For new PayPal users, the Opt-Out Notice must be postmarked no later than 30 Days after the date you accept the User Agreement for the first time. If you are already a current PayPal

user and previously accepted the User Agreement prior to the introduction of this Agreement to Arbitrate, the Opt-Out Notice must be postmarked no later than December 1, 2012. You must mail the Opt-Out Notice to PayPal, Inc., Attn: Litigation Department, 2211 North First Street, San Jose, CA 95131.

The Opt-Out Notice must state that you do not agree to this Agreement to Arbitrate and must include your name, address, phone number, and the email address(es) used to log in to the PayPal account(s) to which the opt-out applies. You must sign the Opt-Out Notice for it to be effective. This procedure is the only way you can opt out of the Agreement to Arbitrate. If you opt out of the Agreement to Arbitrate, all other parts of the User Agreement, including all other provisions of Section 14 (Disputes with PayPal), will continue to apply. Opting out of this Agreement to Arbitrate has no effect on any previous, other, or future arbitration agreements that you may have with us.

f. Future Changes to the Agreement to Arbitrate.

Notwithstanding any provision in the User Agreement to the contrary, you and we agree that if we make any change to this Agreement to Arbitrate (other than a change to any notice address or website link provided herein) in the future, that change shall not apply to any claim that was filed in a legal proceeding against PayPal prior to the effective date of the change. Moreover, if we seek to terminate the Agreement to Arbitrate as included in the User Agreement, any such termination shall not be effective until 30 days after the version of the User Agreement not containing the Agreement to Arbitrate is posted to <http://www.paypal.com>, and shall not be effective as to any claim that was filed in a legal proceeding against PayPal prior to the effective date of termination.

- **Release of PayPal.**

Section 14.8 is being amended to state:

If you have a dispute with one or more Users, you release PayPal (and our parent, our affiliates, and our and their respective officers, directors, agents, joint ventures, employees and suppliers) from any and all Claims, demands and damages (actual and consequential) of every kind and nature, known and unknown, arising out of or in any way connected with such disputes. In entering into this release you expressly waive any protections (whether statutory or otherwise – e.g., California Civil Code § 1542) that would otherwise limit the coverage of this release to include only those claims which you may know or suspect to exist in your favor at the time of agreeing to this release.

- **Reporting complaints to State Agencies.**

Section 14.9 (State Agencies) is being updated to state that if you are a California resident, you may report complaints to the California Department of Financial Institutions at its toll-free telephone number, 1-800-622-0620, by e-mail at consumer.complaint@dfi.ca.gov, or by mail at Department of Financial Institutions, Consumer Services, 1810 13th Street, Sacramento, CA 95811.

- **Indemnification, Release of PayPal, Limitations of Liability and Warranty Disclaimer.**

These sections (formerly Sections 14.7, 14.9, 15.1, and 15.2) have been amended to include PayPal's Affiliates, which are companies that are direct or indirect subsidiaries of PayPal, Inc. or eBay Inc. or are otherwise related to PayPal through common ownership or control, and their and PayPal's parent's respective officers, directors, agents, joint ventures, employees and suppliers as covered parties under those sections.

- **Limitations of Liability.**

Section 15.1 is being amended to add that in addition to the limitations already stated under that provision, to the extent permitted by applicable law, PayPal is not liable, and you agree not to hold PayPal responsible for any damages or losses (including, but not limited to, loss of money, goodwill, or reputation, profits, or other intangible losses or any special, indirect, or consequential damages) resulting directly or indirectly from: (1) Your use of or your inability to use PayPal's sites and services; (2) delays or disruptions in PayPal's sites and services; (3) viruses or other malicious software obtained by accessing PayPal's sites or services or any site or service linked to PayPal's sites or services; (4) glitches, bugs, errors, or inaccuracies of any kind in PayPal's sites or services or in the information and graphics obtained from them; (5) the content, actions, or inactions of third parties; (6) a suspension or other action taken with respect to your Account; (7) your need to modify practices, content, or behavior, or your loss of or inability to do business, as a result of changes to this User Agreement or PayPal's policies.

- **Discontinuation of APIs.**

Section 15.4 (License Grant) is being amended to state that PayPal may change or discontinue any APIs upon notice to you.

- **Amendment to the PayPal Privacy Policy.**

We are making changes to the PayPal Privacy Policy make the Policy more clear, better reflect our use of information and to align with new PayPal Services such as PayPal Access and the updated PayPal website. Some of the key changes to the Privacy Policy are highlighted below, however, we recommend you review the updated Policy in its entirety to ensure you are familiar with any other changes we have made. The amended Privacy Policy is effective November 1, 2012 for existing users and effective upon acceptance for new users.

The sections added or most substantively changed were:

Your Privacy Rights. We created an introductory paragraph, titled Your Privacy Rights, to ensure that you know the purpose of the privacy policy is to discuss our commitment to you on how we use your information. We also have provided you an additional method of contacting us to retrieve more information via our www.ebayprivacycenter.com website. As we discuss in our policy, our long standing core privacy principle is that we do not share your information with third parties for their marketing purposes without your consent. How we use information. In this section, we clarified our ability to contact you via telephone and mobile phone with automated telephone systems and text messaging to help us be more efficient in contacting you

and to leverage technology for your experience.

How we share personal information with other parties. In this section, we changed our law enforcement notification section to include investigations in our eBay corporate family. In addition, we have clarified that we will work with law enforcement, government officials and third parties during investigation, legal, and risk scenarios when we think it will better protect you, our PayPal community.

Using PayPal Access. We added a new section to the policy discussing PayPal Access, our new product, which enables you to log into external website sites using your PayPal User ID and access credentials. PayPal Access asks you before sharing information with external websites and hopes to improve your web surfing experience across the Internet

Amendment to the PayPal Website Payments Pro and Virtual Terminal Agreement, and the Payflow Gateway Services Agreement

Effective Date: Jul 10, 2012

 [Print](#)

• Amendment to the PayPal Website Payments Pro and Virtual Terminal Agreement

1. Refunds for American Express Direct Payments and Virtual Terminal Payments. Section 2(d) (Additional Fees) is being amended to add that for refunds of Direct Payments or Virtual Terminal Payments where an American Express Card is used, the Transaction Fee will be deducted from your Account at the time of the refund. The disclosures in the fee table will now read::

Activity	Fee
<u>Refunds</u>	Fixed Fee portion of the original Transaction Fee.
For all refunds, except refunds of Direct Payments or Virtual Terminal Payments where the buyer used an American Express Card, the Fixed Fee portion of the Transaction Fee will be deducted from your Account at the time of the refund, in addition to the full payment amount that is refunded to the buyer.	(The Fixed Fee will depend on the currency of the payment, so if the payment was made in USD then the refund fee is \$0.30.)
For refunds of Direct Payments or Virtual Terminal Payments where the customer used an American Express Card, the Transaction Fee will be deducted from your Account at the time of the refund, in addition to the full payment amount that is refunded to the buyer.	Transaction Fee applied to the original transaction.

2. **PayPal Payments Advanced requirement to offer Bill Me Later.** Section 8 (Requirement to Use Express Checkout, Bill Me Later) is being amended to add that PayPal Payments Advanced users are required to offer Bill Me Later as a payment option as automatically enabled in PayPal Payments Advanced. Section 2(b) (Fees) is amended to add the Bill Me Later Transaction Fees which are the Purchase Payment Fees set out in the User Agreement.
3. **PayPal Payments Advanced standard services.** PayPal Payments Advanced will no longer include Virtual Terminal as a standard service. The definition of Payments Advanced in Section 17 (Definitions) is being amended to reflect this change. If Virtual Terminal is included in your current PayPal Payments Advanced service, it will not be removed and your use of Virtual Terminal will not be affected.

• Amendment to the Payflow Gateway Services Agreement

1. Required use of PayPal Services. A new Section 5 (Required use of PayPal Services) has been added to include the requirement for Payflow Link merchants to offer PayPal Express Checkout and Bill Me Later on their hosted checkout pages. Fees for accepting payments via these services are set out as Purchase Payment Fees in the PayPal User Agreement. Merchants who do not want to offer Express Checkout and Bill Me Later can upgrade to the Payflow Pro level of service to disable these payment methods (additional fees apply for Payflow Pro).

Amendment to the Merchant Referral Bonus Policy

Effective Date: May 24, 2012

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• Amendment to the Merchant Referral Bonus Policy

Effective through the calendar year 2012, The Merchant Referral Bonus Program ("the Bonus") will be discontinued for all account holders and the Merchant Referral Bonus Policy will no longer be in effect. Active account holders will receive an email from PayPal indicating an end date specific to their current participation in the Bonus program. You will receive this email at least 30 days in advance of the end date. Once your end date is in effect, new referrals will no longer be tracked or accumulate toward this bonus program. In addition, bonus accrual payments will be stopped. Any final accrued bonus balances from your referrals will be paid to your PayPal account in accordance with the standard 30 day payout cycle. Your PayPal account is not impacted in any way with the discontinuation of this program. For further assistance, contact us via the [Contact Us](#) form.

Amendment to the PayPal User Agreement

Effective Date: Apr 01, 2012

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